

Congress of the United States

Washington, DC 20515

October 11, 2000

PRESERVING HIGHWAY SAFETY WITHOUT HURTING SMALL BUSINESS

With increasing concerns over highway safety in America, reducing the dangers on our nation's roads is a top priority for all of us. We want to bring to your attention a proposed rule by the U.S. Department of Transportation (DOT), which has the potential to harm the well being of America's traveling public, reduce the ability of rural residents to travel, and impose significant adverse impacts on thousands of small businesses.

On May 2, 2000, the DOT announced sweeping changes to the Hours-of-Service regulations that dictate how long drivers of commercial vehicles are permitted to stay on the road during a 24-hour period. In announcing these "one-size-fits-all" changes, the DOT failed to recognize that there are significant differences between the commercial intercity bus and trucking industries. In fact, of the 150 studies cited in the new regulations, not one identified a fatigue problem within the bus industry.

The safety record of the businesses that operate intercity bus services is exemplary. The National Transportation Safety Board, in a report entitled "Bus Crashworthiness" called the industry one of the safest forms of transportation in the United States.

This hard-earned record is the pride of this nation's bus operators, most of whom are small businesses with fewer than 10 buses. The proposed rule will have a negative impact on these businesses and their employees. Specifically in rural areas where the profit margins for intercity bus transportation are very thin. Regulatory changes may force these carriers out of business or prevent them from serving these particular areas without substantial increases in rates for service. And the fact is that in many of these communities, railroad and airline transportation are unavailable. This situation is especially troubling for the poor, the old, and the infirm that may rely on this form of transportation to reach the nearest health care provider.

We invite you to join us in sending a letter (see reverse side) to DOT Secretary Rodney Slater, stating that the Federal Motor Carrier Safety Administration should not apply the new proposed rule to the intercity bus industry. We believe that it is more appropriate for DOT to maintain the existing Hours-of-Service rules until such time as it can produce sufficient evidence demonstrating the need for a change in the current operations of this industry.

If you have any questions or would like to sign on to the letter, please feel free to contact Barry Pineles ext. 5-5821 or Michael Day ext. 5-4038 of the House Small Business Committee staff.

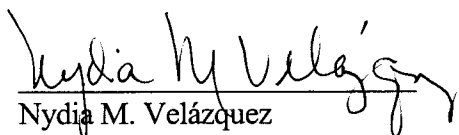
Sincerely,



James M. Talent
Chairman
Committee on Small Business



Don Young
Member
Committee on Transportation and Infrastructure



Nydia M. Velázquez
Ranking Democratic Member
Committee on Small Business



Bill Pascrell, Jr.
Ranking Democratic Subcommittee Member
Committee on Small Business
Member, Committee on Transportation
and Infrastructure

The Honorable Rodney E. Slater
Secretary of Transportation
United States Department of Transportation
400 7th Street, SW
Washington, D.C. 20590

Dear Mr. Secretary:

On May 2, 2000, the Department of Transportation (DOT) proposed sweeping changes to the Hours-of-Service rule by including regulations that dictate how long commercial drivers could drive in a 24-hour period. While we commend your efforts to make our highways safer, we are concerned that the research for this rule assumes that every sector of the transportation industry operates in the same manner.

The impact of this particular rule would be devastating to the commercial intercity bus industry, its employees and their working conditions. It is our understanding that the entire basis for including the bus industry under this specific rule was the assumption that bus drivers operate in similar ways to truck drivers. This "one-size-fits-all" approach to regulating, fails to take into account the distinct characteristics of the commercial intercity bus industry and should not be the basis to include any one industry under this rule. By applying this standard we are setting a dangerous precedent for future rule making action.

Nowhere in the proposed rule does DOT identify a safety problem related to the current Hours-of-Service rule within the bus industry. As drafted, the proposed revised rule will have a negative economic impact on the entire industry and, by changing the operating procedures, possibly diminish its outstanding safety record.

One of the areas most affected will be providers of rural bus services. In many of these communities, commercial intercity bus transportation remains the only means of mass transportation, especially for those on fixed incomes, such as the poor or elderly. Through the implementation of the proposed Hours-of-Service rule countless rural providers that are already operating on very small profit margins may be forced out of business. Needed transportation services to reach larger metropolitan areas for recreation and, more importantly, for health care may cease to exist.

We believe the DOT and the Federal Motor Carrier Safety Administration should not modify current operating standards for the commercial intercity bus industry unless it can demonstrate that existing standards do not provide adequate safety. Any changes to the current operating procedures should only take place after research and analysis on the unique and complex operations of the industry are completed.

Of course, had the DOT complied with the Regulatory Flexibility Act, the adverse impacts on the commercial intercity bus industry would have been identified. DOT would have then been in position to develop less burdensome alternatives to its proposal including not making any regulatory changes for the bus industry. We expect that DOT will develop a final regulatory flexibility analysis that assesses the impact of any final rule on each sector within the commercial motor vehicle operator industry and examines less burdensome alternatives that provide safety on the highways while reducing the costs to small business owners.

We look forward to working with you toward a common sense solution aimed at making our highways safer.